

## CLAIMS

1. A method of making a financial transaction over the internet including:

5 election by the purchaser to pay for selected items from a merchant by credit card means using a virtual credit card terminal (VCT), said virtual credit card terminal includes credit card means reader, a digital processing device operatively associated with said credit card means reader and encoding transaction programs that allows opening of an interactive terminal window for processing of the transaction, said virtual credit card terminal is registered with VCT gateway;

10 providing the purchaser with a transaction number from said VCT gateway, merchant identification and amount to transact from the merchant, said merchant is registered with said VCT gateway;

15 the purchaser enters details of credit card means into the virtual credit card terminal and forms a VCT transaction request;

sending the VCT transaction request to said VCT gateway;

processing the VCT transaction request by the VCT gateway and forming a bank transaction request ;

sending the bank transaction request from the VCT gateway to a bank;

20 processing the bank transaction request and sending advice from the bank to the VCT gateway whether the transaction has been approved; and

sending advice from the VCT gateway to the merchant and the purchaser whether the transaction has been approved.

2. A method of making a financial transaction over the internet including:

election by the purchaser to pay for selected items from a merchant by credit card means using a virtual credit card terminal (VCT), said virtual credit card terminal includes credit card means reader, a digital processing device operatively associated with said credit card means reader and encoding transaction programs that allows opening of an interactive terminal window for processing of the transaction, said virtual credit card terminal is registered with VCT gateway;

providing the purchaser with a transaction number from said VCT gateway, merchant identification and amount to transact from the merchant, said merchant is registered with said VCT gateway;

the purchaser enters details of credit card means into the virtual credit card terminal and forms a VCT transaction request;

sending the VCT transaction request to said VCT gateway;

processing the VCT transaction request by the VCT gateway and forming a bank transaction request ;

sending the bank transaction request from the VCT gateway to a bank;

processing of the bank transaction request and sending advice from the bank to the VCT gateway whether the transaction has been approved; and

sending advice from the VCT gateway to the merchant and the purchaser whether the transaction has been approved, wherein if the transaction has been approved providing the merchant and the purchaser with a transaction authentication code.

3. A method of making a financial transaction over the internet including:

election by the purchaser to pay for selected items from a merchant by credit card means using a virtual credit card terminal (VCT), said virtual credit card terminal includes credit card means reader, a digital processing device operatively associated with said credit card means reader and encoding transaction programs that allows opening of an interactive terminal window  
5 for processing of the transaction, said virtual credit card terminal is registered with VCT gateway;

providing the purchaser with a transaction number from said VCT gateway, merchant identification and amount to transact from the merchant, said merchant is registered with said VCT gateway;

10 the purchaser enters details of credit card means into the virtual credit card terminal and forms a VCT transaction request;

sending the VCT transaction request to said VCT gateway;

processing the VCT transaction request by the VCT gateway and forming a bank transaction request ;

15 sending the bank transaction request from the VCT gateway to a bank;

processing of the bank transaction request and sending advice from the bank to the VCT gateway whether the transaction has been approved; and

sending advice from the VCT gateway to the merchant and the purchaser whether the transaction has been approved, wherein if the transaction has been approved providing the  
20 purchaser and the merchant with a transaction authentication code, said purchaser provides the merchant with delivery details, said merchant provides purchaser with a merchant receipt.

4. A method of making a financial transaction over the internet as claimed in any one of claims 1 to 3, wherein the merchant obtains the transaction number from said VCT gateway and then provides it to the purchaser.

5. A method of making a financial transaction over the internet as claimed in any one of claims 1 to 3, wherein the virtual credit card terminal is remote from a location where the merchant's items are physically displayed for sale.

6. A method of making a financial transaction over the internet as claimed in any one of claims 1 to 3, wherein the virtual credit card terminal is set up at the merchant's retail outlet.

7. A method of making a financial transaction over the internet as claimed in any one of claims 1 to 3, wherein credit card means is a credit card with a data encoded magnetic strip, and details of the credit card means are entered by passing the credit card through the credit card means reader and separately entering an assigned personal identification number.

8. A method of making a financial transaction over the internet as claimed in any one of claims 1 to 3, wherein credit card means is a credit card with a data encoded magnetic strip, said details of the credit card means are entered by passing the credit card through the credit card means reader and separately entering an assigned personal identification number, said digital processing device includes a screen, processor and a key pad.

9. A method of making a financial transaction over the internet as claimed in any one of claims 1 to 3, wherein credit card means is a credit card with a data encoded magnetic strip, and details of the credit card means are entered by passing the credit card through the credit card means reader and separately entering an assigned personal identification number, said digital processing device is an internet-connected telephone, personal digital assistant, pager, communicator, smartphone, an interactive television, or an interactive household appliance.

10. A method of making a financial transaction over the internet as claimed in any one of claims 1 to 3, wherein credit card means is a credit card with a data encoded magnetic strip, and details of the credit card means are entered by passing the credit card through the credit card means reader and separately entering an assigned personal identification number, said digital processing device is an internet-connected telephone, personal digital assistant, pager, communicator, smartphone, an interactive television, or an interactive household appliance, wherein the credit card means reader is operationally associated with an individual digital processing device by a digital certificate which is used in each transaction.

11. A method of making a financial transaction over the internet as claimed in any one of claims 1 to 3, wherein the VCT gateway is a stand – alone server or a server that is part of an electronic data processing section of a bank, credit provider, or other financial institution.

12. A method of making a financial transaction over the internet as claimed in any one of claims 1 to 3, wherein the processing of the VCT transaction by the VCT gateway involves representing information but not analyzing information for transaction approval purposes.